

SECTION H SPECIAL TASK ORDER REQUIREMENTS

H.900 PROJECT CONTROL SYSTEMS AND REPORTING REQUIREMENTS

In accordance with H.20 of the Master Contract, the following project control systems and reporting requirements are set forth below:

H.900.1 Project Control System

(a) The contractor shall propose a project structure that achieves safe environmental remediation and waste management in the most cost-effective manner. The contractor shall establish, maintain and use a project control system that accurately reflects the project status relative to cost and schedule performance, and tracks progress against the approved baseline. This system shall be fully integrated with the financial accounting systems to ensure consistent reporting of costs and will be reviewed during the baseline review. The contractor shall maintain a project control system in accordance with the following requirements:

- (1) DOE Order 413.3A, Program and Project Management for the Acquisition of Capital Assets, July 28, 2006;
- (2) DOE Manual 413.3-1-1, Project Management for the Acquisition of Capital Assets, March 28, 2003.
- (3) Integrated Planning, Accountability, and Budgeting System Information Systems (IPABS-IS) Data Requirements, February 16, 1999, and subsequent updates;
- (4) Integrated Planning, Accountability, and Budgeting System (IPABS) Handbook, February 16, 1999, and subsequent updates;
- (5) HQ Baseline Change Control Charter, Office of Environmental Management, Rev. 0, June 23, 1999.

- (b) The contractor shall provide the DCO with a detailed written description of the proposed project control system for review and approval within 30 days after award of this task order. Cost effective, graded application of controls will be a critical factor in determining acceptability of the proposed system.
- (c) The DCOR or designated representatives will conduct a compliance review of the contractor's proposed project control system to determine if the description and procedures meet the intent of this task order clause.

H.900.2 Baseline Development and Cost Collection

- (a) The contractor shall develop and submit a Moab Project baseline consistent with the terms and conditions of this task order and their proposal within 90 days after award. The project baseline should also reflect efficiency and flexibility including integration with the TAC. The baseline shall be developed in accordance with DOE Order 413.3A and include all of the scope identified in the Statement of Work (SOW). The project shall have one Project Baseline Summary (PBS). The Work Breakdown Structure (WBS) shall provide the basis for all project control system components, including estimating, scheduling, budgeting, performing, managing, and reporting, as required under this task order. The contractor shall develop the WBS levels (at minimum Level 4 for submittal to DOE), which will represent the one PBS level.
- (b) Cost estimates shall be integrated with the WBS and use estimating methodologies consistent with DOE Order 413.3A. Costs shall be discernable by Budget and Report (B&R) code, direct, indirect and fee. The project control system must maintain capability to provide Total Estimated Cost (TEC), Total Project Cost (TPC), Estimates-to-Complete (ETC), and Estimates-at-Completion (EAC) along with tracking of the task order's total estimated cost.
- (c) Schedules shall be developed that integrate with the WBS. All project work scope shall be included regardless of funding source. Each subproject and the PBS will have an assigned duration that will be based on work scope. Activity logic links shall depict all work scope constraints and decision points and shall be integrated into a total project network schedule. The project schedule shall clearly depict critical path activities and milestones. Activities shall be resource loaded at the lowest practical level of the WBS, but at a maximum at least one level below the PBS to develop time-phased budgets that are integrated with the schedule. Float analysis will be summarized at the PBS and total project levels.

(d) The Government will use earned value to determine adjustments to the provisional fee payments. The contractor shall also propose four to six major milestones from the Moab Project baseline at the time of submittal of the baseline to DOE. The DCO will determine the final number of milestones. These milestones shall represent the significant physical accomplishments scheduled. Performance against these milestones will be considered when determining adjustments to the provisional fee payments.

(e) The contractor shall analyze DCOR proposed or directed funding changes for their impact on technical, schedule, and cost elements of the baseline, along with potential impacts to the cost and fee.

(f) Any contractor requested changes or DOE directed written changes shall be addressed through the established change control process detailed in Section H.900.4. This process alone will not have the authority to change the Project Cost and Schedule.

(g) The contractor shall provide variance analyses for differences between planned and actual performance against the total project baseline and the task order's total estimated cost. Performance analysis techniques shall be commercially accepted and documented, and shall utilize earned-value methods and shall be reported to DOE at the PBS level. Performance metrics (i.e., quantities) are preferred for all technical work scope unless otherwise approved by the DCO. For variances greater than $\pm 10\%$, the analyses shall detail the causes for variance and corrective actions required.

(h) The Estimate at Completion (EAC) for the project shall be evaluated monthly to ensure that it is consistent with observed trends in performance, emerging or resolved issues, and changes in the assessment of project risk.

(i) All actual direct costs incurred for resources applied in the performance of work shall be recorded on a timely basis each month. Actual costs incurred must be recorded in the same accounting period that performance is measured and recorded. Any indirect costs shall also be collected and appropriately allocated to the PBSs.

(j) Costs shall be collected at a charge number level and be able to be summed through the WBS, PBS and by major contractor functional organization. Incorrect charges on time cards or other administrative or accounting errors shall be corrected in a timely manner.

H.900.3 Project Reporting

- (a) The contractor shall provide monthly status reports in a format approved by the DCO. At a minimum, the status shall include cost and schedule variance at a level 4 WBS with rollup to the subproject and PBS, the status of major milestones, and critical technical or programmatic issues. The monthly status report shall be provided by the 10th day of the month following the month for which the data is to be reported. The contractor shall provide a monthly report to the DCO, DCOR, with a copy to the TAC.
- (b) Quarterly Critical Analysis Report (QCAR). Four times a year, the contractor shall prepare and submit a comprehensive report that critically analyzes the overall status of the project as well as any key metrics. This report shall include overall narrative summaries, analysis of schedule trends and project float, critical path performance, analysis of critical manpower skills of other resources, budget and funding figures, and project risk updates.
- (c) Plans and reports shall be prepared in such a manner as to provide for consistency with the task order SOW, and the approved WBS. The contractor's reporting system shall be able to provide for the following at the subproject and/or PBS level:
 - (i.) Timely incorporation of contractual changes affecting estimated cost and schedule
 - (ii.) Reconciliation of estimated costs for those elements of the WBS with current performance measurement budgets in terms of changes to the authorized work and internal re-planning.
 - (iii.) Changes to records pertaining to work performed that will change previously reported costs for correction of errors and routine accounting adjustments.
 - (iv.) Revisions to the task order estimated costs for DOE-directed changes to the contractual effort
- (d) The contractor shall provide the DCO, or the DCOR, access to any and all information and documents comprising the contractor's project control and reporting system. Generally, access will not be requested more than one level below the level chosen by the DCO for control and approval authority, except during compliance reviews.

H.900.4 Baseline Change Management

The integrated scope, cost and schedule baseline is the source document for all project control and baseline change management. The processes for managing and administering changes to all elements of the baseline shall be timely, formal, and documented. Baseline changes shall be proposed when:

- (a) Necessitated by significant project delays, events or other impacts
- (b) The parties have negotiated an equitable adjustment in accordance with the Section I clause entitled, "Changes-Cost-Reimbursement" or other clauses of this task order.
- (c) The approval authority for any change to the task order cost or fee (above that stated in Section B) shall be the Contracting Officer. Any negotiated change that would require additional funding (above that stated in Section B) for the Moab Project, shall be approved by the Assistant Secretary for Environmental Management.
- (d) The contractor will propose the internal change control thresholds for cost and schedule and the approval authority at each level. Specific change control time frames for consideration and approval will be established by the DCO. Each change control threshold level shall accommodate emergency changes. Retroactive changes that affect schedule and cost performance data are not allowed except to correct administrative errors. A record of all approved changes, at any level, shall be maintained by the contractor through the life of the project. Change control records shall maintain a clear distinction between approved changes in funding and baseline changes. Ownership of internal change control dispositioned records and EM Configuration Change Control Board records resides with DOE.
- (e) Any changes to task order cost or fee shall be executed only through a task order modification by the DCO pursuant to the task order terms and conditions. Approved internal change control modifications may not imply the need for changes to the task order cost or fee.

H.901 TASK ORDER OVERSIGHT

The DOE will perform routine surveillance and observation of the contractor's work and performance. The contractor shall correct, within one working day, violations of laws, regulations, DOE Orders, Standards or site mandated rules, when notified by the DCO or DCOR. The contractor shall correct all other deficiencies or non-compliances with the task order within five working days. The contractor shall provide logistical support to the DOE in order to facilitate conducting oversight activities on an as-needed basis, at the discretion of the DCOR or his assigned representative.

The contractor shall respond to DOE oversight and to concerns, findings and observations as identified by the DCO or DCOR during the conduct of these oversight activities. The six (6) oversight activities that may be conducted during the course of the execution of this task order are as follows:

Project Management Oversight: Includes daily field inspections and the weekly and monthly assessment of project status, to determine and validate project performance.

Contract Management Oversight: Administration and monitoring of the task order will be performed by the Task Manager, DCOR or their designee.

Financial Management Oversight: The contractor shall provide budgetary data as required to DOE to facilitate its oversight and auditing functions. DOE will review all budgetary data submitted by the contractor.

Daily Oversight: DOE may utilize Facility Representatives, Project Managers and Subject Matter Experts in addition to the DCOR, to conduct daily oversight and inspection. The purpose of this oversight will be to assess compliance with the terms and conditions of the task order. In addition to this oversight, the contractor shall support the following DOE activities:

Senior management walk-through, conducted in scheduled areas or locations where significant work is ongoing;

Specific tours of buildings or release sites that have been deemed as response actions;

Periodic walk-through by the appropriate regulators or DOE Headquarters personnel;

Employee concerns elevated to DOE for evaluation.

Assessments: DOE or other regulatory agencies may conduct assessments of the contractor's performance. Notice of these performance assessments will be given to the contractor fourteen (14) calendar days in advance of the assessment.

Self Assessment: DOE oversight activities will focus primarily on a safe, accelerated remediation. The contractor shall respond to DOE oversight and to concerns, findings and observations during the conduct of these oversight activities.

H.902 GOVERNMENT FURNISHED ITEMS

Government Furnished Services, Items and Equipment (GFSI&E) (Section J, Attachment G) will be provided to the contractor within 15 days of task order award. Property purchased by the contractor will become Government Furnished Property (GFP) upon acceptance. The contractor shall assume control of and disposition all government property in accordance with the Federal Property Management Regulation 41 CFR 102-036.

All equipment, supplies and other materials needed to perform this work and not included as Government furnished equipment shall be supplied by the contractor.

H.903 REGULATORY INTERFACE REQUIREMENTS

Contractor interactions with regulators shall always be coordinated with the DOE. The contractor shall notify DOE prior to any interaction with regulators and shall make available copies of all correspondence (e.g., reports, findings, records of phone conferences, meeting minutes).

NOTE: The contractor is required to comply with all required clauses and notifications contained in the basic contract and this task order, including the Limitations of Fund clause contained in Section I of the basic contract.